

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF PENNSYLVANIA

In re Annagen, LLC

Case No. 1:19-bk-0361

Reporting Period: September 2019

AMENDED
MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case

Schedule of Cash Receipts and Disbursements			
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	X	
Schedule of Professional Fees Paid	MOR-1b	X	
Copies of bank statements		X	
Cash disbursements journals		X	
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			
Copies of tax returns filed during reporting period			
Summary of Unpaid Postpetition Debts	MOR-4	X	
Listing of aged accounts payable	MOR-4	X	
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor [Signature]

Date Dec 10, 2019

Signature of Joint Debtor _____

Date _____

Signature of Authorized Individual* _____

Date _____

Printed Name of Authorized Individual _____

Title of Authorized Individual _____

*Authorized individual must be an officer, director or shareholder if debtor is a corporation, a partner if debtor is a partnership, a manager or member if debtor is a limited liability company

In re Annagen LLC

Case No. 1:19-bk-0361

MLK

Debtor

Reporting Period: September 2019

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	49,681							
RECEIPTS								
CASH SALES	9							
ACCOUNTS RECEIVABLE	282,920							
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)								
TRANSFERS (FROM DIP ACCTS)								
TOTAL RECEIPTS	282,920							
DISBURSEMENTS								
NET PAYROLL	45,769							
PAYROLL TAXES	8,199							
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)	235,194							
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
TOTAL DISBURSEMENTS	289,162							
NET CASH FLOW	-39,527							
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH	43,448							

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED**DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)**

TOTAL DISBURSEMENTS	289,162
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	0
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	0
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	289,162

FORM MOR-1

BANK RECONCILIATIONS
Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.

	Operating	Payroll	Tax	Other
BALANCE PER BOOKS	#	#	#	#
BANK BALANCE				
(+) DEPOSITS IN TRANSIT (ATTACH LIST)		SEE	ATTACH	
(-) OUTSTANDING CHECKS (ATTACH LIST)				
OTHER (ATTACH EXPLANATION)				
ADJUSTED BANK BALANCE *				
* Adjusted bank balance must equal balance per books				
DEPOSITS IN TRANSIT	Date	Amount	Date	Amount
CHECKS OUTSTANDING	Ck. #	Amount	Ch. #	Amount
OTHER				

FORM MOR-1a

Case No. 1:19-bk-03631

Debtor

Reporting Period: September 2019

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

This schedule is to include all retained professional payments from case inception to current month.

[illegible]

FORM MOR-1b
(04/07)

STATEMENT OF OPERATIONS

(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses regardless of when cash is actually received or paid.

Cumulative**REVENUES**

	Month	Filing to Date
Gross Revenues		
Less: Returns and Allowances		
Net Revenue		

COST OF GOODS SOLD

Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs (attach schedule)		
Less: Ending Inventory		
Cost of Goods Sold		
Gross Profit		

OPERATING EXPENSES

Advertising		
Auto and Truck Expense		
Bad Debts		
Contributions		
Employee Benefits Programs		
Insider Compensation*		
Insurance		
Management Fees/Bonuses		
Office Expense		
Pension & Profit-Sharing Plans		
Repairs and Maintenance		
Rent and Lease Expense		
Salaries/Commissions/Fees		
Supplies		
Taxes - Payroll		
Taxes - Real Estate		
Taxes - Other		
Travel		
Utilities		
Other (attach schedule)		
Total Operating Expenses Before Depreciation		
Depreciation/Depletion/Amortization		
Net Profit (Loss) Before Other Income & Expenses		

OTHER INCOME AND EXPENSES

Other Income (attach schedule)		
Interest Expense		
Other Expense (attach schedule)		
Net Profit (Loss) Before Reorganization Items		

REORGANIZATION ITEMS

Professional Fees		
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)		
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Expenses		
Income Taxes		
Net Profit (Loss)		

*"Insider" is defined in 11 U.S.C. Section 101(31).

STATEMENT OF OPERATIONS - continuation sheet

Cumulative BREAKDOWN OF "OTHER" CATEGORY	Month	Filing to Date
Other Costs		
Other Operational Expenses		
Other Income		
Intrest Income	\$	8.00
Other Expenses		
Late Fees	\$	1,121.00
Credit Card Processing Fees/Bank Fees	\$	3,841.00
Dues & Subscriptions	\$	1,229.00
Other Reorganization Expenses		

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

Debtor

Reporting Period: September 2019

BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
CURRENT ASSETS		
Unrestricted Cash and Equivalents	\$ 43,448.00	
Restricted Cash and Cash Equivalents (see continuation sheet)		
Accounts Receivable (Net)	\$ 372,500.00	
Notes Receivable		
Inventories		
Prepaid Expenses	\$ 748.00	
Professional Retainers		
Other Current Assets (attach schedule)	\$ 87,083.00	
TOTAL CURRENT ASSETS	\$ 503,779.00	\$
PROPERTY AND EQUIPMENT		
Real Property and Improvements		
Machinery and Equipment	\$ 3,610,530.00	
Furniture, Fixtures and Office Equipment		
Leasehold Improvements		
Vehicles		
Less Accumulated Depreciation	\$ 2,971,237.00	
TOTAL PROPERTY & EQUIPMENT	\$ 11,430,752.00	\$
OTHER ASSETS		
Loans to Insiders*		
Other Assets (attach schedule)		
TOTAL OTHER ASSETS	\$	\$
TOTAL ASSETS	\$1,594,259.00	
LIABILITIES AND OWNER EQUITY		
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)		
Accounts Payable	\$ 13,025.00	
Taxes Payable (refer to FORM MOR-4)	\$ 12,094.00	
Wages Payable		
Notes Payable		
Rent / Leases - Building/Equipment	\$ 26,265.00	
Secured Debt / Adequate Protection Payments		
Professional Fees		
Amounts Due to Insiders*		
Other Postpetition Liabilities (attach schedule)	\$ 240,929.00	
TOTAL POSTPETITION LIABILITIES	\$ 292,313.00	\$
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)		
Secured Debt	\$ 1,684,575.00	
Priority Debt	\$ 573,970.00	
Unsecured Debt	\$ 4,830,327.00	
TOTAL PRE-PETITION LIABILITIES	\$ 7,088,872.00	\$
	\$ 7,381,185.00	\$
OWNER EQUITY		
Capital Stock		
Additional Paid-In Capital		
Partners' Capital Account		
Owner's Equity Account		
Retained Earnings - Pre-Petition	\$ (6,228,538.00)	
Retained Earnings - Postpetition	\$ (9,575.00)	
Adjustments to Owner Equity (attach schedule)		
Postpetition Contributions (Distributions) (Draws) (attach schedule)		
NET OWNER EQUITY	\$ (6,238,113.00)	\$
TOTAL LIABILITIES AND OWNERS' EQUITY	\$1,143,072	

**Insider" is defined in 11 U.S.C. Section 101(31).

FORM MOR-3

STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero. Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes. Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding	0	7515	3615	9/19/2019	94545705	3900
FICA-Employee	0	4774	2292	9/19/2019	94545705	2481
FICA-Employer	0	4774	2292	9/19/2019	94545705	2481
Unemployment	0	4				4
Income	0					
Other:	0					
Total Federal Taxes	0	17067				8867
State and Local						
Withholding	0	1786				176
Sales	0	432				432
Excise	0					
Unemployment	0	36				36
Real Property	0					
Personal Property	0					
Other: LEIT & LST	0	973				973
Total State and Local	0	3226				3226
Total Taxes	0	20,293	8199			12,094

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable	13025					13025
Wages Payable						
Taxes Payable	12094					12094
Rent/Leases-Building	13033					13033
Rent/Leases-Equipment	13232					13232
Secured Debt/Adequate Protection Payments						
Professional Fees						
Amounts Due to Insiders*						
Other:						
Other:						
Total Postpetition Debts	51384					51384

Explain how and when the Debtor intends to pay any past-due postpetition debts.

*"Insider" is defined in 11 U.S.C. Section 101(31).

FORM MOR-4

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation		Amount
Total Accounts Receivable at the beginning of the reporting period	644,048	
+ Amounts billed during the period	544,879	
- Amounts collected during the period		3,654,240
Total Accounts Receivable at the end of the reporting period	823,687	
Accounts Receivable Aging		Amount
0 - 30 days old	329,567	
31 - 60 days old		7,535
61 - 90 days old	342,477	
91+ days old	467,378	
Total Accounts Receivable	823,687	
Amount considered uncollectible (Bad Debt)		278,545
Accounts Receivable (Net)	545,142	

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below. DIP Account application in process	X	
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

FORM MOR-5